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CONSUMERS' GUIDE

JANUARY 30, 1939



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AN IMPORTANT trade association recently went in search of a "typical consumer." They wanted this "typical consumer" to come to their convention and "answer questions regarding her everyday shopping experiences and tell us her reactions to the merchandise and services in her visits through the stores. The opinions of the ordinary garden variety of housewife, so to speak, are of more basic importance to merchants than the conclusions of professional analysts and economists."

Specifications for this "ordinary garden variety of housewife" were various, but most specific were the requirements that "she should be a housewife in her thirties and the mother of two or more children. Her family income should range from \$2,500 to \$4,000 per year."

In the matter of age and size of family, they seem to have described with fair precision the "typical" consumer. It was when we came upon the income figures that we began leafing the pages of the National Resources Board report on "Consumer Incomes in the United States," released last August and translated into picture form in our own Anniversary Issue of September 1938.

America's middle family—as typical as any you can get because half of all our families are better off and half are worse off—had an income in 1935–1936 of \$1,160 a year. Looking only at the families with 3 or 4 members,

the middle family had an income of \$1,360 a year. Averages are not very different now.

Probing further, we pull out these facts—statistics, to be sure, but a record of actual consumer incomes: 84 out of every 100 families with three or four members failed to reach the level even of \$2,500 a year—the bottom limit suggested by the trade association for the income of a "typical" consumer. Only 11 out of every 100 families had incomes ranging from \$2,500 to \$4,000. Five had incomes above \$4,000.

America is made up largely of families whose incomes are far below the level at which these retailers seemed to be aiming. Of course, they have every right to seek out the consumer "typical" of those they now serve or wish to serve. But it should be significant to merchants in search of undeveloped markets that two-thirds of all the families in this country have less than \$1,500 to spend for everything. Incomes of this size obviously cannot be made to stretch to cover the kinds, varieties, and qualities of goods and services which pull \$2,500–\$4,000 families into the stores. Yet it is with these sub-\$1,500 families where the merchants' mass market lies. It is in that field, too, that America's most grievous economic problems lie.

IF YOU are a teacher of consumer education classes, how about sharing

your course outlines and other study helps with us? The Consumers' Counsel Division, together with the U. S. Office of Education, is trying to round up all such educational materials for the benefit of people already working in this field and for the thousands who appeal to us for guidance in developing study programs. Whether you are an elementary school teacher, one in secondary schools, a college, or a university, we are interested in knowing about any course you are giving in consumer education. Please mail your material to the *Consumers' Guide*, Department of Agriculture, Washington, D. C.

"THE price of the dress is \$10.95, but the charge for altering the dress will be \$1.00." Mark that dollar down as the cost to dress consumers of the dress manufacturer's failure to adopt standard sizes. Some alterations, of course, are due to whim, some to an unpredictable contour, but most of them, retailers believe, could be eliminated along with their cost by the adoption of standard sizes for women's dresses.

Now in the process of being approved, however, there is a National Bureau of Standards proposal for standard dress sizes. Meeting recently, dress retailers discussed the proposal. They favored standards which would eliminate variations in sizing. This, they thought, would increase the number of garments sold to store customers without the need of expensive alterations.

The effect of size standardization, one speaker said, would be to increase retail dress sales and to decrease the return of dresses to manufacturers. Economies running into millions of dollars a year would result. In other words, standards in dresses, like standards everywhere, mean economies which eventually add up to more goods for less money.

Our thanks for illustrations go to the following agencies: WPA, cover, lower page 5; Farm Security Administration, top, page 5, page 11; Farm Credit Administration, page 13.

One Square Meal a Day

AAA with other Federal agencies helps to build stronger bodies for small consumers in a Nation-wide program for school lunches



THERE'S a new kind of bell ringing these days in 7,000 schools throughout the country—a bell that doesn't clang a call to stiff-backed benches, blackboards, and copy books, but rings out a welcoming: "Come and get it! Lunch is served." Lunch, rich with energy building foods and precious vitamins to make small bodies strong and alert; lunch to prepare easily tired minds for difficult school lessons; lunch that comes from spotless kitchens; and best of all, lunch for everybody!

At the stroke of noon every school day of the year this bell rings out to over 600,000 undernourished children who rush to get what for many is the best and most complete meal of the day.

For the past 5½ years Federal agencies and local groups in farm, town, and city areas have been working together in this plan to give undernourished children a well-balanced, nourishing meal. From 1933 to 1935 the Federal agencies cooperating in the program were the Federal Emergency Relief Administration and the Federal Surplus Relief Corporation. In 1935 the job was taken over by the Federal Surplus Commodities Corporation in the Department of Agriculture, which purchases foods, and the Works Prog-

ress Administration, which undertakes their distribution through State branches, which in turn prepare the foods.

Presided over by an associate administrator of the Agricultural Adjustment Administration, the Surplus Commodities Corporation has on its board of directors the Secretary of Agriculture, Henry A. Wallace, and other Department members.

Purpose of the plan is threefold: To build up young bodies handicapped by the economic limitations imposed on grown-ups; to put millions of tons of unsaleable foods within reach of people possessed of hunger but of little money; and to give work to thousands of destitute women in preparing this daily luncheon menu served to children aged from 6 to 17.

FORTY-FIVE STATES and the District of Columbia are participating in the program today. Well over 130,000,000 meals have been served since the beginning of the project. Some 15,000 WPA helpers—mostly mothers from needy families—have found employment in preparing the lunches. Read these figures not as statistics but in terms of needed vitamins and energy brought to hundreds of thousands of food-pinched bodies and you have a picture that has become a national landmark in child health.

Yet the program has hardly scratched the surface. There are still millions of children in the country who would benefit from a nourishing lunch every noon but who live in communities not reached by the program or are able to undertake it only on a small scale. But gradually more and more young

students are sitting down to a well-planned meal each school day as additional schools take advantage of the plan.

It took a grievous depression to pull the Federal Government into this luncheon business. But long before it started some teachers got on the job. Back in the twenties a few teachers—particularly in rural and outlying areas—began to take steps to do something about a problem that had been becoming increasingly acute year after year. It was the problem of the listless child, the inept pupil, suffering from "afternoon fatigue." That was the child, coming from a family able financially only to inch along, who started the school day nutritionally handicapped, and ended it mentally licked. Miserable breakfasts, still more wretched lunches, make not only for puny bodies—these teachers observed—but for dull scholars unable

"No people can be hardy, no people can think straight or govern wisely whose minds and bodies have been warped in childhood by malnutrition. From a strictly economic viewpoint, it is cheaper to feed our school children a proper lunch diet than to provide medical care when their undernourished bodies fall prey to pellagra, rickets, anemia, and other diseases resulting from inadequate foods."
Dr. Louise Stanley, Chief,
U. S. Bureau of
Home Economics.

4 to hold to the pace of their well-fed schoolmates. Teachers saw in such children future derelicts, social misfits, candidates for reform schools, jails, or hospitals.

Here and there over the country these wise and observant teachers led the way to a fair deal for their young charges. It was a simple idea, but it took organization and resolve to put it into action. Underfed children should have a vitamin-balanced lunch every noon. To put this idea into action, some school people squeezed pennies out of their own salaries; some interested well-to-do neighbors in the problem; others sought the support of churches, civic groups, parent-teacher associations, and storekeepers. Trying one device, then another, some teachers were able not only to get their lunch programs started but to put them on a permanent basis.

Almost immediately the lunches began to pay the best kind of dividends. Where they were served, teachers observed that children gained weight, became more alert at classes, lost the inferiority they had felt in the presence of their classmates, and gained a new interest in their school work. Lunches, prepared at the cost of a few pennies each, were bringing returns that could not be measured in terms of dollars and cents.

PERSEVERING and prudent pioneers of school lunches might not agree, but those were easier days in the twenties. For every child who stood in need of special nutritional aids in those years, hundreds showed up in the thirties. As need for such help increased, the supplying of it became more difficult.

Then came 1933 and the beginning of the Federal Government's "surplus commodities" program. Potatoes, apples, vegetables, wheat, flour, and other foods had glutted the market. Food was going to waste because people did not have money to buy it. Farmers were suffering losses from unsold products. The Government organized the Federal Surplus Relief Corporation which stepped into the muddled situation and began buying up "surpluses" for distribution to destitute families.

Supporters of the school-lunch program were quick to see the possibilities. They talked to FSRC officials, wrote to FERA headquarters in Washington, probed local sentiment. Their plan was this: The Government was making major efforts to solve the problem of relief, particularly to see that relief families were given foods for which there was no profitable market. But what about the children of those families? Something had to be done to erase the prospects of a generation growing up marked with malnutrition. Free school lunches were one insurance policy the country could afford against that eventuality. Relief labor from the FERA, plus surplus foods from the FSRC, plus cooperation of local bodies—there lay the key to the problem.

NOBODY KNOWS how many undernourished children the depression produced. Estimates in 1932 ranged from one-fifth to one-third of all children of school age. The White House Conference on Child Health and Protection in 1930 had been told by President Herbert Hoover that there were 6,000,000 "improperly nourished" children in the country. An official of the Federal Surplus Commodities Corporation (successor to the FSRC) recently estimated that at least 2,000,000 children between the ages of 6 and 17 from families eligible for relief were in immediate need of school lunches.

No matter what the estimate, the experts were agreed that economic de-

pression had taken a frightful toll in child health and welfare. Scattered surveys in this city and that dramatically confirmed their theories. In New York City, malnutrition among children doubled from 1928 to 1932. In Springfield, Ohio, the number of children who were more than 10 percent underweight increased 29 percent from 1931 to 1932. Poverty and economic hardships increasingly were found to be major causes of malnutrition in Philadelphia in 1932. In Detroit it was estimated that one-third of the malnutrition among children could be marked up against the economic debacle of 1929. In rural areas the story was the same. Rickets, glandular enlargements, physical defects, childhood disease increased. Children grew fat on starch diets common among families with low incomes, but developed "vitamin deficiency" diseases caused by lack of fresh fruits and vegetables, eggs, and milk. Such signs were ominous.

Other countries had long been giving their children free lunches. England inaugurated a program in 1907 after discovering that at least half of her army recruits failed to pass physical tests because of malnutrition suffered in childhood. The Scandinavian countries, France, Czechoslovakia, and many others recognized that the future of their races rested as much on the stomach as on the mind. This was nothing new to them.

SCHOOL-LUNCH PROGRAMS, aided by the Federal Government's purchases of unsaleable foods, got under way in 1933.

Sponsoring groups vary with cities. They are of two types: Legal sponsors, such as the Department of Welfare or the Board of Education; and cooperating sponsors, such as civic or service organizations, or individual patrons. The legal sponsor ordinarily inaugurates the project through application to the Works Progress Administration State offices and the local relief offices.

Job of the cooperating sponsor is to raise supplementary funds, secure food contributions and equipment, plan benefits, fairs, parties, and campaign for volunteer help. Sometimes it

Groups or individuals wishing to inaugurate a free-lunch program in their community can start the wheels rolling by asking their local public relief or WPA officials what steps to take. They in turn will contact their district or State offices for the necessary information. Many county and city school superintendents, too, know how to start a lunch program in the schools under their jurisdiction.



TRIPLE-ACTION relief comes with the Government-aided school lunch program: Payment to farmers for unsaleable "surpluses;" work for the needy unemployed; food for hundreds of thousands of young consumers—helpless inheritors of a strange world with warehouses full of food they need but which parents, earning too small a pittance, cannot buy.



elects an advisory committee which in cooperation with the supervisor plans and directs the project.

NO LINES are drawn, in general, as to who shall and who shall not get the lunch. Just as important as building up the body of the underprivileged child is maintaining what grown-ups call "self-respect." Children, like adults, are sensitive to external distinctions, and are quick to shy away from charity if its acceptance carries with it social stigma. For that reason the Federal agencies cooperating in the plan have laid down the rule that there is to be no segregation of the child eligible for the free lunch from the more fortunate child whose parents are able to provide needed food. A big job of the sponsors is to ask the parents of the luckier children for funds or food contributions in order that they, too, may get the benefit of the mid-day meal. Federal regulations do not allow nonrelief children to partake of the free lunches without such contributions.

Sponsoring committees must also raise funds to furnish sufficient food exclusive of FSCC donations to give each child a well-balanced, vitamin-planned meal. The free "surplus" commodities usually do not include enough variety to supply a well-rounded lunch. What the sponsors can't get in cash contributions, they get by contributions in kind through church fairs, parties, newspaper campaigns, and appeals to sympathetic

merchants. School gardens, cultivated by the children, often are a good source of fresh foods. In rural areas, farmers can be seen driving up to school kitchens, their trucks overflowing with contributions for this community project.

Equipment not supplied by the Government must be secured in the same way, through appeals and contributions. Certain standards must be met

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So You Have a Sweet Tooth!

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Eighth largest food industry, candy making ranks high as a user of agricultural products. Here are some facts for the consumers of the products of commercial candy kitchens

SWEETMEATS go back a long way. Egyptians enjoyed the equivalent of a penny's worth of honey and fruit. Babylonians liked a bar of something made of boiled grapes and starch. The Hebrews thought the manna that came down from Heaven tasted something like a confection they ate which was made of honey and coriander seed. But sugar, which is the chief constituent of candy as we know it, came in the form of a brown paste until about the seventh century and was never refined really until the Venetians learned to make a loaf sugar in 1470. It was almost another 200 years before it became cheap enough for anyone except the very rich.

Sugar candy, that is, hard candy, came into general use along about the middle of the eighteenth century, but so far as modern candy goes there are two important dates: 1851, the date of the Great Exposition in London when the English confectioners dazzled the world with their candies; and 1876, when a Swiss confectioner boiled up the world's first bar of sweet milk chocolate.

By 1935 candy had worked up to eighth place among the food industries in the United States with 1,314 manufacturing confectioners in the country employing 52,000 workers and supplying an average of 16 pounds of candy to each man, woman, and child in the country. For this, consumers chipped in a total of 600 million dollars retail, or a very rough average of \$4.60 apiece.

Half of the 16 pounds of candy consumed by the average person is sugar. The other half contains chocolate—the second most important candy ingredient—nuts, gelatin, fruits, milk, butter, cocoanut, licorice, corn syrup, molasses, and other substances depending upon popular fancy at the moment.

One of the reasons, perhaps, that candy has grown so popular is that consumers can buy it almost any way they want it. They can pay as much or as little as they want for it, and they can get it in bulk form at bulk prices, or in super deluxe packages at super deluxe prices.

Some very fortunate people like to buy candy elegantly wrapped and boxed at elegant prices. For these people 1 percent of the candy that is sold is put in boxes for retailing at more than a dollar a pound.

For taking home in reasonably priced boxes, candy manufacturers put up 10 percent of their candy in boxes to be sold for less than a dollar a pound.

For people who like plain candy in bulk the candy manufacturers put up in that way 34 percent of all candies sold.

Candy bars are made up to take the eye and fancy of the people who like it that way. This amounts to 35 percent of the candy made.

For nibbling at the theatre, where a small package of candy is desirable, the candy manufacturers put up 4 percent of their candy in 5 and 10 cent packages.

Finally, the candy manufacturers went after the grimy fisted little codger and urchin trade by putting up 16 percent of their candies in penny goods.

EVERYONE is an amateur at fudge-making, and there is hardly a man so long from home that he doesn't know exactly what goes into fudge right down to the pinch of cream of tartar that is added to prevent it from sugaring. But the commercial manufacture of candy has grown so technical that, in a sense, a candy factory could be called a chemical laboratory. The constant effort to produce palatable

candies that will sell cheaply calls for continual experimentation to discover new mixtures, and what is equally important, to discover less expensive substitutes for high priced ingredients.

Beginning with sugar, then, there is something to learn by looking over the materials that go into commercial candies.

To begin with, the sugar most people are talking about when they say sugar is only one of a variety of sugars, that is, sucrose, or table sugar. In addition to sucrose there are four other sugars or sugar preparations which are important in candy manufacture: Dextrose, levulose, commercial glucose, and invert sugar.

For dietetic purposes the sugars have about the same value. The chief advantage to be gained by the use of any one sugar is a manufacturing advantage.

Chemically, acids are an important constituent of candy. They serve two distinct purposes: To produce an acid flavor and to minimize excessive sweetness.

The purpose of flavors in candy is obvious, but their sources are not. Years ago the major sources of flavors were the aromatic and flavorsome vegetables, flowers, and fruits. Use of the natural flavors in candies has given way largely to artificial flavors. Chemical laboratories have become the most



8 fertile producers of flavoring materials, for just as perfumes can be manufactured from coal, so can flavors.

Gelatin, which is obtained by heating animal tissues in water, is a structural material found in some candies. It is used as a substitute for expensive natural gums in gum candies, such as gum drops, to give them their jelly-like consistency, and in other candies to make fillings stand up. It also prevents candy crystallization.

Adding the white of an egg in a confectionery plant is not the simple egg-cracking operation with which most people are familiar. The white of an egg, or at least the albumen from the white of an egg, is added to candy to give it fluffy porous structure. In a candy factory, however, the egg white is used in powdered form. The egg yolk, incidentally, is sold by many candy factories to noodle factories for use in egg noodles.

Milk, cream, and butter add food value to candies, and give them flavor and consistency. Butter, too, prevents the crystallization of sugar and in larger quantities makes caramels chewy.

Starch has two important functions in candy making. As an ingredient it gives to some candies a jelly-like texture and to others it adds body or firmness. It also helps retain moisture. Another use for starch is in the molds in which soft candies are formed and dried to the proper firmness for packing or chocolate coating.

AFTER ALL THESE BASIC ingredients have been mixed into candy, there still remains an important constituent, the color. Here again chemical colors and synthetic dyes are more generally used than vegetable colors, because they are cheaper in some cases, because they appear more natural in other cases, and because they stand up better.

Chemical dyes used in candy are bounded by legal restrictions, for under the 1938 Food, Drug, and Cosmetic Act, all coal tar dyes intended for foods must first be certified by the Food and Drug Administration if they are sold in interstate commerce. Again the same law requires that any coal tar dye used by the candy maker who



ALTOGETHER 400,000 tons of sugar are used in candy making each year, slightly more than 6 percent of the 6 million tons of sugar Americans consume annually. This batch of candy begins with a 100-pound sack of sugar and water.



MORE than 50,000 workers were employed in the candy industry in 1935. They received about 39 million dollars in wages. The candy, which supports this factory, begins to emerge when these rotating arms plough the boiled sugar syrup up into a creamy fondant.

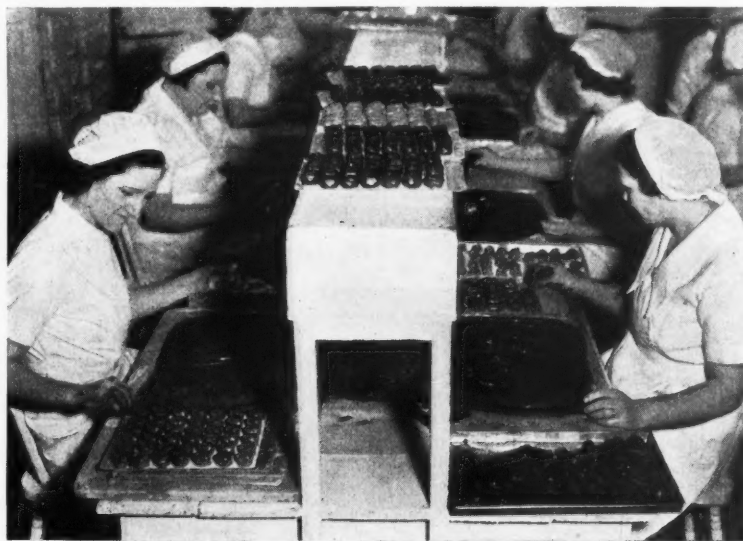
sells his wares across State lines must be from a certified batch of color. Candies colored by deleterious substances which may render the candy injurious are subject to seizure under the Federal Food, Drug, and Cosmetic

Act when they move from one State to another.

How consumers fare on candy made and sold within a State is in a sense their own business. That depends upon State laws and the way they are



CANDY manufactured for interstate commerce is subject to the Federal Food and Drug Laws, but the Federal Government can inspect candy factories only during an emergency for the protection of the public health. Otherwise it is the candy which is inspected rather than the factories. This candy maker is rolling fondant into centers for chocolate creams.



SOME States maintain rigorous standards of health and cleanliness in candy factories. In New York these chocolate dippers would have to pass a periodic medical examination, and the factory itself would have to conform to stringent sanitary regulations.

enforced. As a matter of fact there is little cause for alarm since the quantities of dye used in a piece of candy are small. But to make sure, consumers might look into their State laws, and while they are looking at them, they can consider the whole problem

of the inspection and regulation of candy factories.

Candy is food, but unlike most foods, consumers buy it already cooked and ready to eat. They must rely upon the integrity of food manufacturers and distributors, and the vigilance of

food and drug agencies and of health departments to be perfectly safe. The candy manufacturer, like any food manufacturer, has a weighty responsibility.

MOST of the Federal regulations affecting candy are elemental enough. Adulterated and misbranded candies are forbidden. This means that candy may not contain any one of a number of substances which have been found to be harmful. Poisonous colorings are barred, adulteration with certain metallic and earthy substances such as terra alba, barytes, talc, and chrome yellow is barred. Then with an eye on the children who buy 16 percent of all the candy sold, a penny's worth at a time, the Congress has also ruled that no candy may contain wine, beer, or spirituous liquors or compounds, or narcotic drugs.

Candies have frequently contained prizes—little lead soldiers, tiny hatchets, marbles. These were frequently imbedded in the candy with the result that unsuspecting but candy-hungry children stuffed their mouths full of the candy intent on bolting it down, only to discover suddenly that something sharp and painful had lodged in their throats.

Newspaper readers know the aftermath of such incidents. Sometimes, a highly publicized airplane flight to a specialist and the use of a bronchoscope would take place, and then while the world watched, a surgeon would remove the toy hatchet or marble from the child's throat.

The danger of prizes in candy was recognized long ago, and two States, Texas and Nebraska, have had laws forbidding the sale of candy containing any non-food substance for a long time. Not until 1938 did such a provision appear on the Federal statute books in one of the sections of the Federal Food, Drug, and Cosmetic Act. After June 25, 1939, when this provision of the new Food and Drug Act takes effect, the addition of any non-nutritive article or substance to candy will constitute an adulteration.

Candy is a food, and the labeling requirements applying to foods under the Federal law apply to it.

In addition to the requirement that artificial colorings and flavorings be mentioned on the labels of candy, and that the name and address of the manufacturer or distributor be given, the net weight and count must also be stated on candy labels. Then as the result of the new law there are some additional provisions which have significance for consumers who buy candy sold in interstate commerce.

Under it the Secretary of Agriculture may promulgate standards of identity and fill of container for foods. Foods for which no standard of identity is established will have to have their ingredients listed on labels. Slack-filled or deceptively filled candy boxes will be frowned on. Standards of identity, when and if they are promulgated for candy, will be of equal importance. For as the various types of candy are defined consumers will be able to refer to the standards as set by the Food and Drug Administration and know exactly the requirements which each type of candy must meet. Many candies, however, will not come under this provision because they may be unique concoctions. In those cases the candy manufacturers can be required to list on the candy labels all the ingredients.

SANITARY CONDITIONS in a candy factory are as important to consumer health as purity of candy ingredients. Federal laws do not provide for sanitary inspection of candy factories, except as emergency conditions appear which threaten the health of the community. Then the Secretary of Agriculture, under the Federal Food, Drug, and Cosmetic Act, may institute temporary permit control of food factories. Food factories naturally include candy factories.

State and city governments sometimes undertake to perform regular sanitary inspection of candy plants. In New York, for instance, State and city inspectors examine candy factories minutely. Employees in candy factories must pass medical examinations; sanitary facilities must meet with the approval of the enforcement agencies; and stored candy ingredients are inspected.

The candy industry, too, has sought to gain public confidence by building and maintaining model factories.

Despite stringent enforcement by State and Federal food and drug agencies and the commendable efforts of candy manufacturers, the problem is not yet completely solved. Seizures of bug-infested candy by both Federal and State agencies are still regular enough to make some precautions by consumers important.

FIRST PRECAUTIONS apply to penny candy. This type of candy frequently lies uncovered in candy cases, is handled by storekeepers, and after it leaves candy factories is practically unaffected by any sanitary or hygienic control. Sometimes it lies in candy cases or in warehouses long enough to become stale and bug-infested.

Now a penny's worth of candy at a recess or at the end of a school period may be nutritionally good for a child. The sugar in it gives a child a lift. The wise parent will caution his child, however, to buy from a clean store and only fresh, wrapped candy.

Taking candy away from a child has

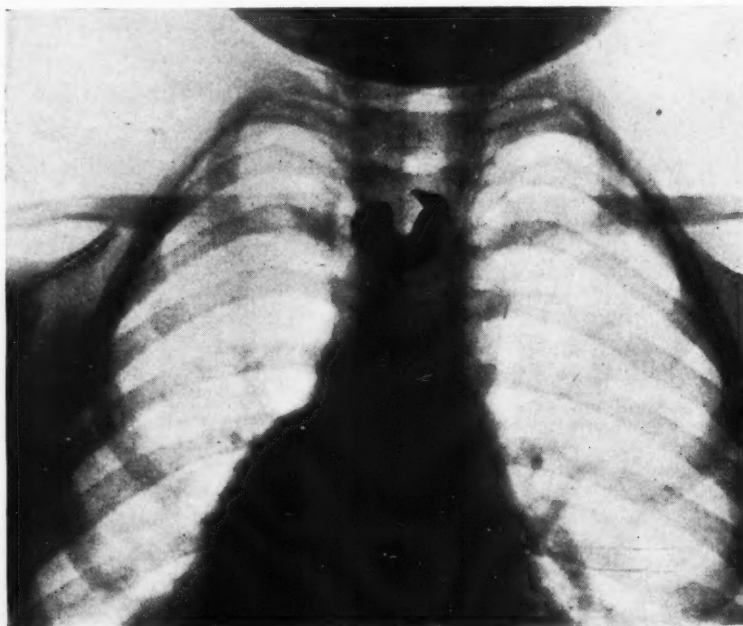
always been regarded as a mean trick, but a meaner one, the Federal Trade Commission believes, is using illegal dodges to make children buy candy. Specifically the Federal Trade Commission objects to the use of lotteries in the sale of candy. Punchboards are one variety of this dodge. Not only is the child's natural taste for candy exploited, but in addition his appetite for candy is whetted by the fever of gambling. For a penny, a child punches a slip of paper out of a punchboard. Then if he punches a lucky name or winning number, he gets a penny piece of candy and a special prize—perhaps a nickel piece of candy.

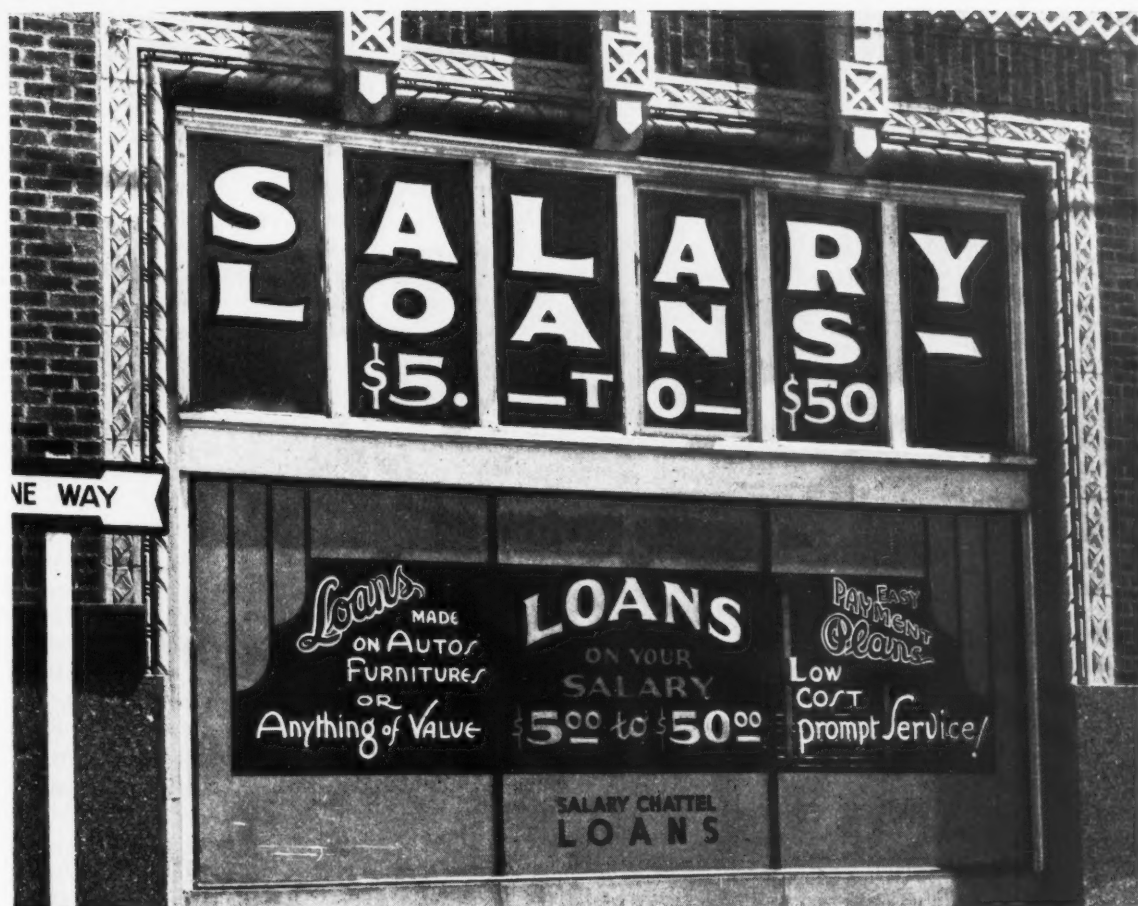
What often happens, of course, is that if a child doesn't win a prize the first time, the gambler's fever gets hold of him, and in the heat of it away goes his pocket money, not to mention his appetite, as the result of eating too much candy.

There are variants of this practice, and one in particular deserves mention. It is called the "break and take lottery." The child buys a penny choc-

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THIS X-ray explains why the new Food, Drug, and Cosmetic Law makes it illegal for candy packages to contain anything except food. The metal rooster lodged inside this child's throat got there because a manufacturer packed a prize in his candy.





Selling Credit to Consumers

Merchandisers of consumer credit do a 14 billion dollar business in a year. Who they are and how they sell to consumers who must purchase the use of money before they can spend it for goods is told here in the first of a series on the cost of consumer credit

IN PARIS, when Jacques or François needs some cash in a hurry to buy a stove or pay a doctor's bill, he is likely to go to the municipal pawnshop. He says, "I'm going to see my aunt."

In the United States there are no municipal pawnshops. Instead of "my aunt," there is, to be sure, the private pawnbroker who is "uncle" to his customers. But Americans are less likely to think of the pawnbroker when they think of credit.

There are other places to go for

credit, and almost everybody in America uses credit. But not everybody recognizes the cost of credit, and few shop around for credit as carefully as for savings in carrots and turnips or sheets and towels.

Consumers borrow about 14 billion dollars a year. This is the estimate for 1936, which may be taken as a "typical" year. The pencil-pad-and-statistic workers do not include mortgages on homes or unpaid doctor bills—nor do they include loans on

insurance policies or loans from friends and relatives—in their 14 billion dollar estimate.

Where did consumers get all this credit? About a billion and a half dollars came from the various loan agencies which advance cash to borrowers—about 425 million from licensed small loan (or personal finance)



companies; 350 million from industrial banks; 200 million from the personal loan departments of commercial banks; perhaps 160 million from loan sharks; about the same amount from pawnbrokers; some 50 million from remedial loan societies; and 80 million from credit unions.

Much larger than cash loans is the volume of loans in the form of goods sold on credit—either on time or on charge accounts. Four and a half billion dollars' worth of goods were sold on the instalment plan in 1936; by the end of the year about two and a half billion dollars was still owed on these sales. Amounting to more than all other sources of credit put together were the charge accounts of retailers—totaling over 8 billion dollars during the year, with about one and a half billion still receivable at the year's end.

INDUSTRIALISTS, business men, and farmers have long been accustomed to thinking of credit as a legitimate need. Consumers' credit has become important and socially accepted, as it were, much more recently than producers' credit. Perhaps we should not be surprised if credit for consumers is not always given its true name, nor its costs always stated honestly and simply. We get credit when we borrow cash; when we charge goods at the store; when we buy cars or radios or encyclopedias on the instalment plan. Whether it be to meet an emergency like a hospital bill, to have the use of an auto or a washing machine now and pay for it later, we are frequently in the market for credit.

The consumer knows he borrows when he goes to an industrial bank or a personal finance company. He borrows also, though neither the fact nor the cost may be clear, if he buys goods on a charge account or by the instalment plan.

If he says, "Charge it," at the grocery or the department store, there will—in most communities—be no bill for the credit. If he buys on the instalment plan, there may or may not be a carrying charge stated. In either event, the consumer is doing two things: He is buying merchandise, and he is borrowing the use of a sum of

money for a period of time until the purchase is all paid for.

The problems of the consumer-as-borrower, when he buys and charges or when he buys on the instalment plan, will be the subject of articles in forthcoming issues of the *Consumers' Guide*. Charge accounts and instalment buying may be alternatives to saving and then buying for cash; or to borrowing money, paying cash, and then repaying the loan. This article concerns only the places the consumer may go for cash.

WHETHER BORROWING is a good thing is a matter each person, each family, must on each occasion decide for itself. Budgets and needs, family living standards and ambitions, are individual matters; generalization is as likely to go wrong as advice on "whom to marry." If a man needs an operation, there can be no question for his family of the wisdom of a loan to pay doctor and hospital, unless he is lucky enough to be able to contract these services in advance for fixed cash payments. For one man, who lives by selling, a car may be a good investment, even if it has to be bought on time; for his neighbor, a new car may be a luxury which will strain the family's finances and peace of mind for a long time to come. Mrs. Jones may save money as well as backache by borrowing to buy an electric washer. Mrs. Smith may spend only half as much—and pay cash—on a new radio without being able to afford it half as well, Mr. Smith's job being what it is. What third party can tell whether a father should borrow to keep a son or daughter in college?

For credit, as for radios or refrigerators, furniture or fruits and vegetables, shopping around is possible and necessary. But few people know where to turn. For bread, eggs, and coffee, you go to the grocery; for a car, to the automobile dealer; for a haircut, to the barber shop. But if you need credit, you may turn to any one of half a dozen types of dealers. Not all equally cheap or safe, to be sure; but there are all these places you might go.

Consumer credit is expensive credit. The consumer who appreciates this

hard fact and knows that most "6 percent" credit for consumers is only a myth, is more likely to get credit on the best terms.

To make up the vast total of dollars loaned each year, there are millions and millions of individual loans. Each loan requires some investigation. Most loans require the extensive bookkeeping of monthly or weekly instalment payments. There are bad debt losses, though these are not large in percentages.

The Federal Government pays an average rate of interest of 2.59 percent on the public debt. An industrial enterprise may borrow \$100,000 from the bank at 6 percent a year. But consumers have to pay, as a rule, anywhere from 10 to 50 percent interest; often a great deal more. Credit granted wholesale costs much less than credit granted in small amounts. A thousand tons of coal costs less per ton than a few tons for the family coal bin; a single bottle of milk delivered at the door costs more per quart than the thousand quarts bought by an ice-cream plant.

CHEAPEST SOURCE of consumer credit, and one which tells the consumer what credit is really going to cost him, is likely to be the consumer's own "baby bank." This is the credit union, which is a savings and loan cooperative.

Credit unions are organized among people who not only know each other, but have easy contact with each other—people who work together, or belong to the same church or trade union or cooperative society. Most common form of credit union is that organized by employees in a single factory or shop or business office.

Loans of small sums (under Federal charter, loans of \$50 or less) may be made without collateral or co-signers. On larger loans the member must get co-signers or give collateral.

The credit union states its interest rate as a percentage of the amount each month on the unpaid balance of the loan. Most frequently the rate is 1 percent per month, rarely more—sometimes only one-half or three-fourths of 1 percent per month. At

1 percent per month on the unpaid balance, the true annual interest rate is 12 percent.

The credit union charges interest only for the period the borrower has the money. If he signs a note to repay in 6 months and is able to wipe the slate clean in 4 months, he pays interest only for 4 months. Beyond the stated interest, moreover, there can be no other fees, except a nominal penalty (often waived if the member offers a valid reason) for delay in meeting the scheduled payments.

Credit unions can make their rates low because they lend members their own and other members' savings. There are no large profits to be made, although members' savings usually earn from 3 to 6 percent dividends a year.

Volunteer effort by members takes care of some of the routine work and helps keep costs down. Frequently credit unions operate in donated office space, with clerks' time paid for by employers.

Costs of investigation are low for the credit union, because its members know each other. The credit committee has no trouble finding out a borrower's ability to make use of a loan and to repay it. Since their organization 4 years ago, Federally chartered credit unions have loaned 82½ million dollars, with bad debt losses of less than 34 thousand dollars—a loss rate of four one-hundredths of 1 percent of the amount loaned, that is, 4 cents lost on each \$100 loaned.

CREDIT UNIONS are among the most successful forms of cooperative consumer enterprise. They are to be found in every nation, among farmers, and in the cities among workers and among small business men. In this country, they have been confined almost entirely to urban consumers. The credit union movement in the United States is only about 30 years old, but there are already some 7,000 credit unions in action. One million, six hundred thousand people are members of credit unions, and their savings total 130 million dollars. Their volume of business has been increasing rapidly, and in 1938 they loaned their mem-



WHEN people hard up for cash do not know where to turn, illegal lenders, or loan sharks, have a chance to do a thriving business at interest rates of anywhere from 120 to 480 percent a year. In credit unions, consumers pool their own savings, and make loans to themselves at reasonable interest rates.

bers about 160 million dollars.

Beginning with the Massachusetts statute of 1909, all but 7 States have now passed laws making it possible for credit unions to incorporate and function. A Federal credit union law allows for Federal incorporation in any State. The Credit Union Section of the Farm Credit Administration stands ready, on request, to send field workers to aid credit unions in meeting problems of organization, of bookkeeping and auditing.

Credit unions make loans for what are called "provident or productive purposes." Many societies are revising their definition of "provident purposes" to include more intelligent buying. If members are enabled to pay cash, they can often take advantage of good buys. Credit unions are financing the purchase of household equipment, clothing, and, in many cases, automobiles. In some credit unions, members have extended co-operation from the credit field to the pooled purchasing of goods for the home—either through discount buying

arrangements or the formation of separate consumer cooperatives.

Credit unions lend only to members. Though the number of credit unions has grown steadily, they are still possible sources of credit for only about 1 out of every 25 consumers.

STUDIES over many years by the Russell Sage Foundation seemed to indicate that people were driven to loan sharks not only because of ignorance of what they were getting themselves into, but also by the lack of any legitimate sources of credit. Usury laws traditionally set 6 percent as the top rate, but the small loan business can hardly do a profitable business at 6 percent. One way to fight the loan shark racket, suggested the Foundation, was to permit commercial small loan companies to operate, under State licensing, at rates high enough to be profitable.

Licensed small loan companies or personal finance companies are now the largest dispensers of cash credit to consumers. They are licensed in 27

14 States under Uniform Small Loan Laws, which usually restrict the size of their loans to \$300 and require statement of interest in percent per month on the unpaid balance. Three and a half percent is the maximum permitted in some States; in others it is 2½ or 3 percent per month on the unpaid balance. At 3 percent a month on unpaid balances, however, the actual rate of interest is 36 percent a year. Interest can only be charged for the time the borrower has the money.

Loans may or may not require endorsement by co-signers. Personal finance company executives claim that they, like credit union committees, loan money essentially on "character and ability to pay." But mortgages on furniture and household belongings are usually required; and wage assignments may be asked.

Personal finance companies do not receive deposits, but obtain the money they lend either from the investments of their stockholders or from loans they themselves negotiate at commercial banks. Chains are prominent in the personal finance business. Of the two largest in the field in 1937, one chain reported 372 branches, and the other 228 offices.

INDUSTRIAL BANKS are another source of small loans. Industrial banks lend to consumers and small business men, and not to industries. "Morris Plan Banks" are simply the best known and largest group of industrial banks; they are not a chain.

Industrial banks lend on the signature of co-makers; sometimes on automobiles or other chattel mortgages. Co-makers make themselves as responsible for the repayment of loans as the original signer of the note. Loans vary in size from \$100 all the way up to \$5,000. Repayment, as in practically all types of consumer loans, is on the instalment plan.

Industrial bank loans are generally made "at 6 or 7 percent." The rate is actually 6 percent discount; that is, interest is deducted in advance. The bank also deducts a 2 percent fee or commission for making the loan. On a \$100 loan, then, the borrower gets only \$92. At \$2 per week, he repays

the amount he actually receives in 46 weeks. But he has to keep paying for 50 weeks to repay the face value of the note. Since the 6 percent has to be figured on a constantly diminishing unpaid balance, the interest rate is actually over 17 percent a year.

COMMERCIAL BANKS are another source of credit for the consumer to consider. Except in rural areas, banks have until quite recently been concerned only with wholesaling credit, not with granting it retail. Largely within the last dozen years, some 700 banks have set up "personal loan departments."

Loans are usually made at between 5 and 8 percent discount, and they generally require co-makers; they are repaid in equal monthly instalments. At the lowest figure, 5 percent discount, the rate of interest on the unpaid balance is actually 9.7 percent a year.

We have been considering loans which the borrower may get on the basis of his own ability to repay, or the promise of friends who sign the note with him to make good if he does not pay. Loans may also be negotiated on the strength of assets the consumer has; sometimes it pays to investigate these possibilities first.

Life insurance is one possibility. On ordinary life insurance, the policyholder may borrow sums limited by the amount of the premiums already credited to him. He is, therefore, borrowing his own money.

On "industrial life insurance," on which premiums are collected in small weekly sums, there is no borrowing privilege. This is the kind of insurance most wage-earners are sold if they are insured at all. It is thus the poorest policy-holders who cannot borrow the money which they have contributed to the company's reserves.

Insurance companies usually charge 6 percent for policy loans. They are inclined to discourage borrowing on the theory that it will ultimately cut down the amount of the ordinary policy-holder's insurance. Policyholders, however, should learn for themselves what their borrowing rights are.

Almost 3 billion dollars was bor-

rowed on life insurance policies in 1935, the amount having almost doubled between 1928 and 1934. Most of these loans were made in order to meet emergencies, some to pay insurance premiums.

MOST ANCIENT LINEAGE in the loan business goes with the insignia of the three balls. The pawnbroker is half merchant, half lender. He lends only against the security of the pledge. Since about one of every 2 pledges is not redeemed, he must be shrewd and speedy at appraisal of everything from watches, furs, clothing and luggage to fraternity pins and firearms. Every day, in the city of New York alone, over 5,000 watches and 6,000 pieces of jewelry are "hocked."

Interest rates vary from 12 to 120 percent a year. A model State law drafted by the Russell Sage Foundation—but not widely enacted—allows 3 percent per month on the unpaid balance of the loan.

Municipal and government pawnshops, found in almost every foreign country, are absent from the American scene. Some attempt to do the same job of supplying pledge credit at reasonable rates has been made by the remedial loan societies. These are limited-dividend, semi-philanthropic pawnshops, operating, much as ordinary pawnshops, on private capital. Rates run from about 9 to 36 percent a year. They have not succeeded in taking the place of the pawnbroker or in making any great impression on pawnshop rates.

SAVINGS are, of course, the best way to meet emergencies or pay for large purchases. Application of this truism, however, runs head-on into the fact that most families cannot afford savings. Loan agencies, retail charge accounts, and instalment buying will, no doubt, continue to fill a need both for the individual family that borrows and for the economic system whose goods the credit helps to sell. Forthcoming *Guide* articles will discuss charge accounts and instalment buying, and how the consumer can attempt to compare the costs of credit.



Notes from Government agencies at work for consumers

BURIED in the pages of the reports which Department of Agriculture offices are now making to Congress, there are statistical evidences of a very much alive trend toward the use of grades for meats, poultry, and canned fruits and vegetables.

More than 606 million pounds of meat and meat products were graded under the voluntary grading system of the Bureau of Agricultural Economics in the year ending June 30, 1938. The trend comes out when you look at the figures for the preceding years, 547 million pounds for 1937 and 423 million pounds for 1936.

Government experts also graded more than 40 million dozen eggs during the year. The stupendous sidelight on this round figure is the fact that each one of these eggs was graded separately.

Consumers purchased more than 24 million pounds of Government-graded turkeys and about 11 million pounds of Government-graded poultry not including turkeys.

Consumers living in the veterans' hospitals, in certain other Government hospitals, and in some State and city institutions also benefited from the grading work of the Bureau of Agricultural Economics. For these institutions the BAE graded approximately $3\frac{1}{2}$ million pounds of poultry and game.

About one million pounds of fish were also examined by BAE experts for condition and kind on behalf of these institutions. Consumers, who remember that the Government grading of meat began as a service to Government agencies, might wonder whether this fish inspection is the prelude to Government grading of fish, however,

should not look too expectant. These fish were examined by the BAE experts under authority of a regulation which permits them to "examine merchandise for condition" when it is purchased by a Government agency. Government fish grades, if they come, will come from the Bureau of Fisheries of the Department of Commerce.

Statistics on inspection for wholesomeness, as distinct from the inspection for quality, are chiefly statistics about the Meat Inspection Service of the Department of Agriculture. In the year ending June 30, 1938, more than 66 million food animals were inspected by the Service's experts. By the time these animals were butchered and sold more than $71\frac{1}{2}$ billion pounds of meat and meat products carried the round purple stamp which is the Government's assurance to consumers of meat wholesomeness. Meat inspection under Government auspices took place in 700 different establishments in 252 cities and towns.

Compulsory meat inspection applies only to meat and meat products in interstate commerce. Another $3\frac{1}{2}$ billion pounds of meat and meat products were sold without the Government stamp. Whether or not this meat was inspected depended upon the existence of State and city laws and the thoroughness with which they were enforced.

Voluntarily, poultry packers applied to the Bureau of Agricultural Economics and asked for the inspection for wholesomeness of 44 million pounds of dressed poultry. Like the quality grading services of the BAE the sanitary inspection service for poultry is not compulsory. It is offered to packers if they want it, but they usually want it only when they are exporting

chickens to a country which requires an inspection certificate, or if they are selling poultry to consumers who demand Government sanitary inspection stamps on their purchases.

There is no way of measuring exactly the increase in the use of grades for canned fruits and vegetables. This is not only voluntary, but it also may be done by the canner or packer himself. Since the canners or packers who do their own grading don't report to the Government, trend finders must go to other statistics. Some canners and packers do ask for Government grading of canned goods. They do this chiefly when they want to borrow money from a bank on their products. Then they call in a Government inspector who grades the fruits and vegetables, and it is on the basis of these grades that the banks make their loans. This branch of the grading service increased 57 percent in 1938 over 1937.

Similar, though far more extensive, service is available for fresh fruits and vegetables. In the trade, buyers and sellers do business almost solely on the basis of grades. Just how extensive is grading in the fruit and vegetable industry is indicated by the report for last year. Bureau of Agricultural Economics inspectors applied the 79 standards that have been issued for 55 fruits and vegetables to more than 500,000 carloads of fruits and vegetables in the year ending June 30, 1938.

FORTY-EIGHT DOZEN packages of gauze bandages went up the chimney in flames recently, but it took 2 Federal Court decisions to light the fire. Before a match could be struck a judge and jury in the Federal Court for the Southern District of New York and 3 judges in the Federal Circuit Court of Appeals for the second circuit had to decide whether or not the old Federal Food and Drug Act applied to gauze bandages. The 1938 Food, Drug, and Cosmetic Act reenacted similar protections which will be affected by these decisions.

In 2 decisions which are of the utmost importance to the health of consumers the courts decided that bandages do come under the food and drug acts.

The 48 dozen packages of gauze

bandages which lost this trial by jury, judge, and fire were seized by Federal inspectors on July 14, 1936, because they contained bacteria despite the fact that their labels claimed they were sterilized.

Charging that the bandages were adulterated and misbranded the Food and Drug Administration then went to court for an order authorizing their destruction.

Denying the adulteration and misbranding charges as an incident to its defense, the manufacturer of the bandages appeared in court and also denied that the food and drug acts applied to bandages at all.

Arguing that a gauze bandage is "not a substance or mixture of substances intended to be used for the cure, mitigation, or prevention of disease of either man or animals," the company asked for the release of its bandages and pleaded to be let go.

BRUSHING THIS ARGUMENT aside the judge of the lower court said, "In the light of modern knowledge it no longer needs any argument to say the difference between a 'sterilized' bandage and an unsterilized bandage is extremely important in its use by physicians and surgeons. No doctor nowadays would think of knowingly applying an unsterilized bandage to an open wound. The general education of the public is such that it can safely be said that the average layman would not do so either. The necessity for protection of the public arises from such fact with its far reaching consequences.

"Sufficient, therefore, has been said to indicate the importance of the subject we are considering, and the necessity for protecting legislation in regard to the general welfare of the citizens of this country.

"Gauze bandages," the judge continued, "are substances or materials intended to be used by a surgeon in connection with his surgery to protect a patient from the evident danger of infection arising from the use of an 'unsterilized' bandage.

"If this is so, then the present statute covers such danger to the public health . . ." Accordingly the court said that the Food and Drug Adminis-

tration did have jurisdiction over bandages, that bandages are "substances intended to be used for the cure, mitigation, or prevention of disease of either man or other animals," and ordered the 48 dozen packages under question destroyed.

Still dissatisfied the bandage manufacturer appealed to the next higher court.

"The Act [the Food and Drug Act]," the higher court said, "was passed to prevent injury to the public health. It should be given a fair and reasonable construction to attain its aim. These bandages, clearly intended for surgical use, are certainly a menace when misbranded to show that they were sterilized . . . Judgment affirmed."

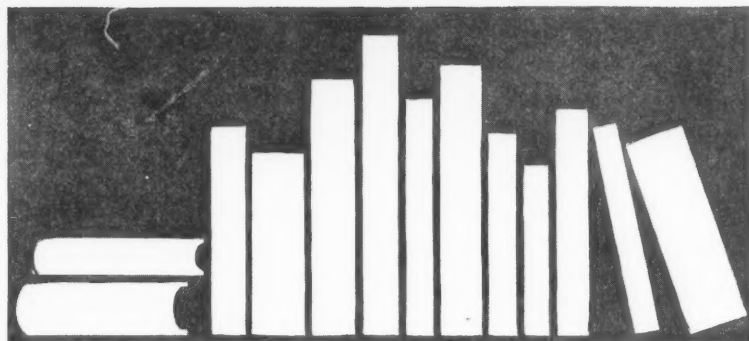


WHEN the line between life and death is drawn as thin as the tempered edge of a surgeon's scalpel the sterile qualities of the surgical gauze used may tip the scales toward life, if the gauze is sterile; toward infection and death, if the gauze is not sterile.

This year the Federal courts have upheld the right of the Food and Drug Administration to seize non-sterile gauze.

Public Health surgeons (above) operate on a seaman in the United States Public Health Service Hospital in Baltimore.

Food and Drug Administration scientist (left) tests surgical gauze for micro-organisms.



CONSUMERS' BOOKSHELF

EDUCATING THE CONSUMER—PART I, CONSUMERS IN THE MODERN MARKET, prepared by Ruth B. Fowell, Home Economics Department. 1938, pp. 72, mimeo. Address: Department of Debating and Public Discussion, University of Wisconsin, Madison, Wis. 25 cents to residents of Wisconsin; 40 cents to non-residents. A discussion outline considering the present marketing system and present guides to buying. Consumer credit, price policies, consumer organizations, cooperatives, Government aids to the consumer, and methods of improving the position of the consumer are other topics presented. Contains excerpts from and references to some of the latest books dealing with consumers' problems.

COOPERATION FOR INDIANS, by Edward Huberman, Office of Indian Affairs, U. S. Department of the Interior. A set of 18 illustrated bulletins of 4 pages each. 1938. Address: Chilocco Agricultural School, Chilocco, Okla. 35 cents per set, 2 cents each. A series of discussion guides for cooperative study groups presenting in interesting fashion the principles of cooperative organization. Titles are as follows: (1) Study-Groups and Co-op Pamphlets, (2) What About Cooperation? (3) Organizing a Cooperative, (4) Guiding Rules for Co-ops, (5) Cooperative Buying Clubs, (6) Cooperative Testing Parties, (7) Consumer Co-ops, (8) Play Safe! (9) Buying Co-op

Farm Supplies, (10) Cash or Credit? (11) Marketing Co-ops, (12) Service Co-ops, (13) Directors in a Co-op, (14) Committees in a Co-op, (15) Your Co-op Manager, (16) The Co-op Member, (17) Women in Co-ops, (18) Co-op References and a Summary.

REPORT OF THE COMMITTEE ON CO-OPERATIVES. 1938, pp. 32. Address: National Education Association, 1201 Sixteenth Street, N. W., Washington, D. C. 25 cents. This report was adopted by the National Education Association at its annual convention in New York, June 1938. Considers briefly the history, types, need for, and present status of cooperatives. Presents possible programs of cooperative education for high schools, colleges, and universities. Bibliography of instructional materials.

PROCEDURE BEFORE THE FEDERAL TRADE COMMISSION IN HANDLING CERTAIN TYPES OF FALSE AND MISLEADING ADVERTISING CASES, by the Radio and Periodical Division. Nov. 1938, pp. 6, mimeo. Address: Federal Trade Commission, Washington, D. C. Free. Describes in some detail the different types of procedure used by the Federal Trade Commission. In 1929 the Commission created a Special Board of Investigation to review advertising claims made for products. Because of the increased work coming with the new powers granted under the Wheeler-Lea Act, the Special Board

of Investigation was abolished and a new Radio and Periodical Division was created on October 18, 1938.

WHAT THE HOUSING ACT CAN DO FOR YOUR CITY, by United States Housing Authority. 1938, pp. 88, illus. Address: Superintendent of Documents, Washington, D. C. 20 cents. Discusses the need for a Federal housing program; the plan of the United States Housing Authority; requirements which must be met to participate in the Federal program, and the benefits to be derived. Contains illustrations of some blighted and some improved areas.

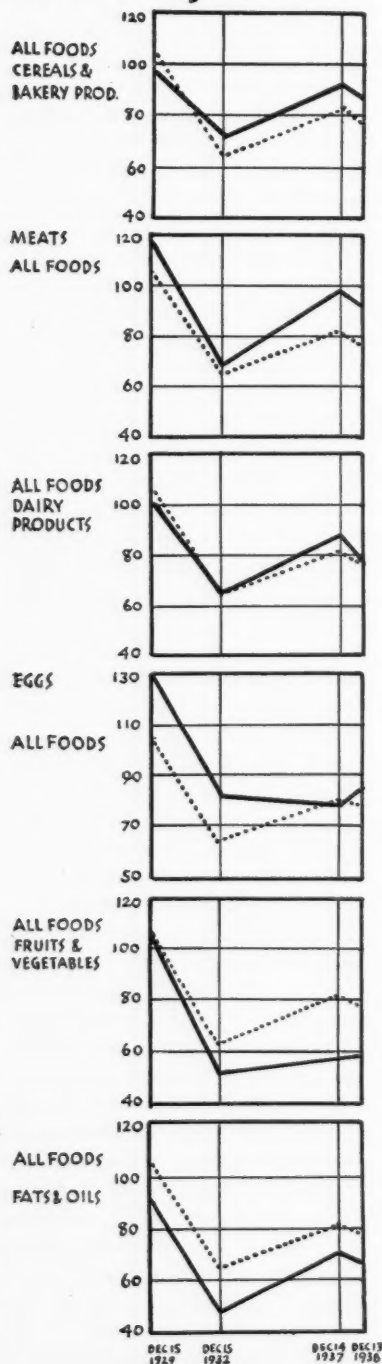
THE FEDERAL TRADE COMMISSION AND THE CONSUMER, speech delivered by Hon. R. E. Freer, member of the FTC, before the Boston Conference on Distribution, September 27, 1938, pp. 8, mimeo. Address: Federal Trade Commission, Washington, D. C. Free. The speaker describes the Federal Trade Commission procedure in the regulation of advertising and price-fixing, elimination of misrepresentation, and setting up of trade practice rules.

AMERICAN HARDWOOD FLOORING AND ITS USES, by W. LeRoy Neubrech, Forest Products Division, U. S. Department of Commerce. Trade Promotion Series No. 186. 1938, pp. 35, illus. Address: Superintendent of Documents, Washington, D. C. 10 cents. This bulletin gives information on the manufacture of hardwood flooring, the various types available, its application and finishes.

REPORT ON SOCIAL AND ECONOMIC DATA PURSUANT TO THE INFORMAL HEARING ON BROADCASTING, DOCKET 4063, BEGINNING OCTOBER 5, 1936, by the Federal Communications Commission. 1938, pp. 197. Address: Superintendent of Documents, Washington, D. C. 60 cents. A report of an informal hearing to determine changes in existing engineering standards and regulations and the probable economic and social effect of such changes.

18 YOUR FOOD SUPPLIES AND COSTS

A Perspective



CONSUMERS' GUIDE

1938 CLOSED with consumers' food costs almost 5 percent lower than at the end of 1937 . . . For every dollar which a workingman's family food basket cost at the last year-end, it cost 82 cents in 1932 and \$1.34 in 1929.

Supplies of most foods during the first half of 1939 are expected to be larger than in the same period in 1938 . . . More eggs are expected, and more poultry, dairy products, canned fruits, canned vegetables, citrus fruits, dried beans, better grade beef, and pork . . . Smaller supplies are expected in veal, lower grade beef, apples, old potatoes, dried fruits.

DAIRY PRODUCTS. Heavy production of milk and butter will probably continue in 1939.

EGGS. Watch for lower egg prices until April. Unusually cold weather may check price drops; unusually mild weather stimulates price drops.

PORK. Supplies are expected to be considerably larger than in 1937-1938 throughout the rest of the current marketing season, ending September 30.

BEEF. Reports from cattle breeders say that a bigger than usual proportion of steers yield better grade beef which will be marketed after March.

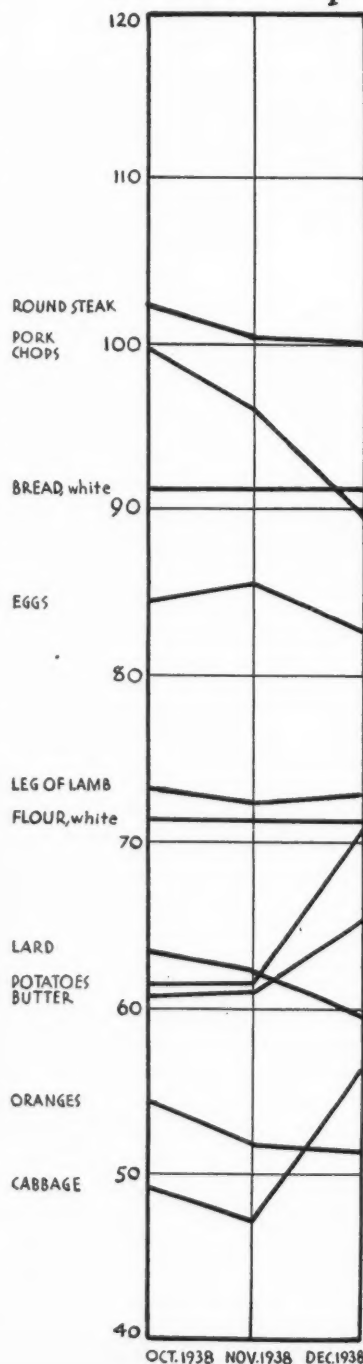
STRAWBERRIES. Supplies during the first 3 months of 1939 will probably be more plentiful than last year.

CITRUS FRUITS. Supplies continue at record levels, with prices relatively low.

POTATOES. Storage supplies of old-crop potatoes—major source until new-crop potatoes arrive in volume in May—are smaller than a year ago.

GREEN AND LEAFY VEGETABLES. Weather conditions greatly influence supplies and prices of these foods. During early January, weather favored most winter-grown vegetables; prospects are for larger production than last year.

A Close-up



ONE SQUARE MEAL A DAY

[Concluded from page 5]

in the type and condition of equipment before the Government agrees to co-operate in a local project. Kitchens may be set up in the school itself, or in a church or other building, where equipment is already available, ready for use. Often in large cities a central kitchen is set up to serve several schools. In that case, a fleet of trucks must be at hand, manned by WPA drivers, ready to rush steaming cauldrons of soup, hot vegetables, and freshly made desserts to the school lunchrooms when the luncheon bell rings. In some cities, experimental kitchens have been set up to devise new dishes appealing to young appetites that tire easily of the same thing week after week.

An idea of the size of the program can be had from the amount of surplus foods distributed to schools by the FSCC in 1 month. Last November 3,800,000 pounds of "surplus" foodstuffs went out of warehouses and into school lunchrooms. Additional food came from volunteer contributions. Thousands of recipes have been drawn up by expert dietitians trained in the nutritional needs of growing young bodies. Not a haphazard choice in diet but scientifically planned meals are these. A well planned lunch almost always has a hot dish, milk, a fresh fruit or vegetable, sometimes soup or a "special" dessert. Meat stews, eggs, fish, hot cocoa are all mainstays. Lunches are planned to the last vitamin and calorie available, and are meant to be nourishing as well as appealing to critical young appetites.

Results of this program can be measured with tangible and intangible yardsticks. In the files of the WPA offices in Washington is report after report of a 3- or 5-pound gain in weight in 2 weeks, better health reports for children benefiting from foods that would have gone to waste if the Government hadn't stepped in. Records show more alert students; marks are on the upgrade; class morale and attention improve along with class scholarship. There's less work for the truant officer, too, because the temptation to play hookey fades when there's

an appetizing lunch in the offing.

"I am convinced," says the Surgeon General of the United States, "that the serving of a hot noonday meal for those who cannot get home to lunch or whose home conditions are such that none could be provided for them there is a useful—almost an essential—part of the school curriculum."

Says the U. S. Commissioner of Education: "The transition from an emergency to a permanent (school lunch) program is already under way in many localities. Health is a major objective of education."

And from the Chief of the Bureau of Home Economics—a Bureau which has done banner work in drawing up scientific recipes for use in the kitchens of those schools using the program: "These children will be better off mentally and emotionally, as well as physically, if they are fed energy-yielding, body-building food at least once a day . . . As a home economist, I recognize the less obvious benefits of the hot school lunch. I see it as a means of developing good food habits which will stay with the child throughout his lifetime and be passed on in time to the next generation . . . From a national standpoint, it is just common sense—and plain economics—to do all we can to keep the Nation's youth healthy in mind and body."

SO YOU HAVE A SWEET TOOTH!

[Concluded from page 10]

olate and breaks it open. If the center is colored, he gets another piece of candy free. If it is white he does not. Observers have reported clusters of children, in candy stores near schools, breaking and taking, and stuffing their mouths full of chocolates as fast as their pennies permit in an eager chase for a colored center.

Use of any lottery in the sale of candy is rated an unfair method of competition, and where these cases are reported to the Federal Trade Commission, it proceeds against the persons involved.

Most heatedly argued candy pro-and-con between parents and children is whether or not candy is good for you. The answer is simple: Ordi-

narily it depends on what else you eat.

Practically everyone is familiar with the statistical tables which show that candy contains more calories pound for pound than most foods. But in addition to its calorie content, candy has another quality. Because candy is cloying, gorging on it discourages you from eating other foods.

Carbohydrates in candy, which are its chief food value, are only one of the food elements needed for a healthy diet. It is plain then that if a person consumes a large proportion of his calorie quota for the day in candy, one of two things will happen: Either he will have to over-eat to gain the other necessary food elements, or he won't get them and he will suffer as a result.

In moderation sugar is a good energy-producing food. It is quickly and easily transformed by the body into energy, and for this reason athletes, soldiers, explorers, and other persons who make unusual demands upon their strength take it to perk them up.

About the myth that candy hurts the teeth, this is, of course, untrue except that teeth, like other parts of the body, generally deteriorate from an unbalanced diet.

Consumers who buy candy have no easy job of it if they are conscientious about the way they spend their money. Take a confection like fudge, for example. It can be bought by the penny's worth in a one-cent square. (Actually this may prove to be the most expensive kind per pound.) It can be bought in a 5-cent bar. It can be bought in bulk for as little as 19 cents a pound. Then it can be bought packaged for almost any price from 19 cents a pound up to as much as you want to pay. And every candy has a similar range in price.

To those consumers for whom candy is a celebration, which kind to buy is a problem. No quality standards exist to guide the hesitant judgment of consumers of candy. Many candy manufacturers, however, buy all the ingredients that go into candy on the basis of standards and grades. Perhaps in time the industry itself will develop quality grades for the various types of confectionery which they make.

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